



# Retiree

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## HANDBOOK



Members participating  
before September 1, 2008



Members participating on or  
after September 1, 2008  
through December 31, 2013



# PLAN ADMINISTRATION

The Commonwealth of Kentucky provides retirement benefits for state and county employees through the Kentucky Retirement Systems (KRS). KRS is governed by a Board of Trustees and consists of three separate retirement systems:



## **Kentucky Employees Retirement System (KERS)**

*Hazardous and Non-Hazardous*

Established July 1, 1956 for state employees. Governed by Kentucky Revised Statutes 61.510 through 61.705.



## **County Employees Retirement System (CERS)**

*Hazardous and Non-Hazardous*

Established July 1, 1958 for local government and classified school board employees. Governed by Kentucky Revised Statutes 78.510 through 78.852.



## **State Police Retirement System (SPRS)**

Established July 1, 1958 for uniformed Kentucky State Police officers. Governed by Kentucky Revised Statutes 16.505 through 16.652.

In addition to the Systems' statutory framework, plan administration is guided by Chapter 105 of the Kentucky Administrative Regulations. Copies of the Kentucky Revised Statutes may be available at public libraries. Unofficial copies of the statutes and Kentucky Administrative Regulations can be found on the Kentucky Legislative Research Commission's website, <http://lrc.ky.gov>.

The systems administered by Kentucky Retirement Systems are qualified governmental retirement plans pursuant to IRC 401(a).

## **OUR SIX MANDATES**

1. Strive for appropriate funding for all plans.
2. Provide members with efficient access to information and helpful counseling to meet their individual needs.
3. Manage the assets in accordance with each plan's needs while adding value to a passive portfolio.
4. Communicate effectively with all constituents, while ensuring appropriate transparency.
5. Maintain a work environment that promotes employee effectiveness, morale, and retention.
6. Insist on a culture of **continuous enhancement to everything** we do.





KRS currently administers three different pension benefit tiers within our defined benefit plans. The Hybrid Cash Balance plan was established as part of Senate Bill 2, which was enacted by the Kentucky General Assembly during its 2013 Regular Session. We refer to this as Tier 3. A description of the benefits available for Tier 3 members is discussed in a separate booklet.

This guide is intended for members retiring from Tiers 1 and 2. More comprehensive guides for all three Tiers are available for download at - <https://kyret.ky.gov>

# Retiree Handbook

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### **When can I expect my first benefit payment?**

Provided all required KRS Forms and documents are received by the end of the month prior to your retirement date, your initial retirement benefit will be processed the month in which your retirement is effective.

Payments are mailed or deposited on the 14th of the month unless the 14th falls on a weekend or holiday, in which case they are mailed or deposited on the last business day before the 14th.

**Retirement refunds are paid through a different timeline than the monthly checks and will not be issued prior to 45 days after termination.**

## **Receiving Your Benefit**

KRS benefits are distributed via direct deposit. It is the safest and most reliable method of payment because it ensures that your check will not be lost, stolen or delayed. Your money will be in your account on the day you expect it. You will not need to rush to the bank to deposit your check, and you may travel without worrying about arranging for someone to watch for your check.

You will only receive a physical check stub if the amount of your deposit changes.

If you receive your retirement benefits via direct deposit at a U.S. financial institution and then have any portion of the benefit forwarded to a financial institution in another country, you must advise Kentucky Retirement Systems immediately. It may become necessary to have your retirement benefits paid to you via paper check, rather than direct deposit in order to comply with Federal banking rules.

### **Changing the direct deposit**

If you are changing the direct deposit of your monthly benefit from one account to another, you should not close the old account until after the first successful transfer of the funds to the new account. Depending on the date the KRS Form is processed in our office or change is made through self service, the next monthly benefit may be in the form of a check mailed to the address you have on file, a direct deposit to the old account, or a direct deposit to the new account. When making a change, you may contact the call center if you need to verify where the next monthly benefit will be directed.





## Change of Address

It is important to keep your address current with KRS. Doing so will ensure tax and health insurance documents and other information related to your account are delivered to you on time. ***If you need to change your address, please follow the procedures listed below:***

- You can update your address on our self service website at [kyret.ky.gov](http://kyret.ky.gov) or contact our office by phone. You will need your PIN and member ID.
- Complete and file **Form 2040: Change of Address Notification**. You may request that a copy of this form be sent to your home address by calling KRS or you can download a copy from [kyret.ky.gov](http://kyret.ky.gov).
- Check with the Post Office: Be sure that your correct address is on file at the U.S. Post Office. Each month, KRS updates the address on file for you with the U.S. Post Office through the National Change of Address (NCOA) system. If the correct address ***is not*** on file with the Post Office, your address on file at the retirement office may be replaced with an incorrect address. If you receive your check by mail, the Post Office will not forward your check.



## Did You Know?

You can make changes to your account online with Self Service at

***MyRetirement.ky.gov***

## Questions?

*You can reach us by calling*

502-696-8800  
or 1-800-928-4646

## If You Divorce

You must notify KRS when you divorce if you have named your ex-spouse as beneficiary or have them covered by insurance through KRS. A final divorce decree voids the designation of a spouse as beneficiary and terminates the ex-spouse's eligibility as a dependent on health insurance coverage. If the divorce occurs after the first day of the month in which you receive your first payment, your estate becomes the beneficiary of the account. You are not permitted to name a new beneficiary for monthly benefits.

Your estate will not be entitled to payments under a survivorship payment option. In the event of remarriage to the former spouse who was the named beneficiary on the member's Form 6000, Notification of Retirement, the former spouse will be reinstated as beneficiary. Reinstatement applies only when certain survivorship payment options were chosen.

If a Pop-up option is selected at retirement, the member's benefit will "Pop-Up" to the Basic Option if the member's beneficiary is a spouse and they become divorced.

If the ex-spouse is the named beneficiary of the death benefit, the Form 6030, Death Benefit Designation, must be completed again following the date of divorce, or the estate will become the beneficiary of the payment when it is issued.

## Qualified Domestic Relations Orders

KRS accepts and enforces Qualified Domestic Relations Orders (QDROs) that are submitted in accordance with Kentucky Revised Statute 61.690 and Kentucky Administrative Regulation 105 KAR 1:190.

Download the appropriate KRS Form at [kyret.ky.gov](http://kyret.ky.gov) under our Retirees section. QDROs will only be accepted if they are on the KRS Form incorporated by reference in the administrative regulation. KRS cannot accept any QDROs that are not on the KRS Form provided by the Systems.

QDROs will only be administered prospectively and KRS will not be responsible for collecting any payments that are delinquent at the time KRS accepts the QDRO. QDRO documents have a filing fee.

QDROs that were accepted by KRS for enforcement prior to July 15, 2000, will not be affected by KRS 61.690 and no action is necessary for those orders to remain in effect.

The alternate payee of a QDRO is not eligible to enroll for health insurance coverage through Kentucky Retirement Systems.

## If you change your name

If you change your name, you must submit a copy of your new Social Security card, Medicare card, a marriage certificate, or a divorce decree along with a written request to change your name. Marriage and divorce are also qualifying events for the purposes of health insurance.





# Tax Treatment of Benefits

## **Federal income tax**

Monthly benefits from KERS, CERS and SPRS are generally subject to federal income tax. If a member made contributions with after-tax dollars, then a portion of the monthly benefit will not be subject to federal income tax.

## **Income tax withholding**

You have the option to choose your tax withholding preference. You may want to review your decision on withholdings periodically. From year to year, the amount of federal tax being withheld from your monthly benefit payments (if any) may change due to changes in the withholding tables provided by the IRS. Your original withholding choice will remain in effect until you file new tax withholding forms with KRS.

You may contact the retirement office to request a copy of the tax withholding form, you may download the form from our website, or you may change your withholding election(s) for benefit payments online through the self service site. Your decision on income tax withholding is an important one, and you should discuss it with a qualified tax advisor.

## **Withholding notice to members receiving benefit payments in a foreign country**

The Tax Reform Act of 1986 requires automatic withholding from benefit checks if you are a U.S. citizen receiving your benefits in a foreign country.

If you are not a U.S. citizen and are living in a foreign country, different income tax rules apply.

## **State income tax**

All benefits attributable to service earned on or before December 31, 1997 are exempt from Kentucky income tax. The portion of the member's benefits earned January 1, 1998 and after is subject to Kentucky income tax; however this income may be excludable up to a certain amount (see Schedule P in the Kentucky income tax forms for the exclusion amount and calculation). Retirement credit for unused sick leave is treated as being earned at the time of retirement.

## **Cost of Living Adjustments (COLA) for retirees**

All future COLAs to KRS recipients must be enacted by the General Assembly. The requirements for providing a COLA stipulate it may only be paid if the funding level in the particular system in which the COLA is being provided is greater than 100% and the COLA payment will not reduce the funding level below 100%, or if the legislature prefunds the COLA. It is possible for recipients of one KRS system to receive a COLA while recipients in another KRS system may not.



# Submission Deadlines for Newly Retired Members



Are you  
eligible for  
health  
insurance?



If you will be receiving a monthly payment, you may be eligible for health insurance coverage for you, your spouse, and eligible dependents. KRS offers Medicare and non Medicare plans.

You may access insurance applications and enrollment booklets by visiting our website at [kyret.ky.gov](http://kyret.ky.gov).

Call (800) 928-4646 for additional assistance.

## Form 6000, Notification of Retirement

Once we process your Form 6000, we will send you additional KRS Forms to complete.

**If you elect to receive a monthly benefit, complete and return the following:**

- Form 6010, Estimated Retirement Allowance
- Form 6200, Health Insurance Application

**If you elect to receive an actuarial or lump sum refund,\*\* complete and return the following:**

- Form 6010, Estimated Retirement Allowance
- Form 6025, Direct Rollover/Direct Payment Election

**\*\*We require additional verification from your employer before we can process a refund, which may delay your check. Retirement refunds are paid through a different timeline than the monthly checks and will not be issued prior to 45 days after termination.**



All required KRS Forms and documentation must be filed with our office by the last day of the month prior to your effective retirement date. Failure to submit KRS Forms and materials will result in a delay in receiving benefits, including health insurance coverage. If KRS does not receive a valid health insurance application prior to or within the first month of your retirement, you will be automatically placed in the default health plan single coverage and won't be able to change until the next open enrollment or you experience a qualifying event.



# Submission Deadlines for Insurance for Newly Retired Members

## Form 6200 Health Insurance Application

For insurance coverage to begin the same month as your retirement payment, you must file a Form 6200 with our office by the last day of the month prior to the month you retire. If you miss the deadline, you will be placed on the defaulted plan (even if you waive coverage) and won't be able to change until Open Enrollment or a qualifying event.

*For example:*

Retirement Date	Form 6200 Due By	Insurance Effective Date
May 1	April 30	May 1

If you miss the above deadline, you can still submit a Form 6200. Your Form 6200 must be filed with our office by the last day of the month in which you retire.

*For example:*

Retirement Date	Form 6200 Due By	Insurance Effective Date
May 1	May 30	June 1

## Please remember

- If you do not return a health insurance application either waiving coverage or selecting a plan, you will be defaulted into a single health insurance plan.
- Your retirement can be effective without insurance coverage.
- You are responsible for filing your insurance application by the due date.
- Documentation for health insurance dependents/spouse is required.
- Waiting until the last minute to file an application will cause delays in receiving your insurance card and accessing benefits.

**If you miss both deadlines you will remain in the default health insurance single plan and are ineligible to select a new health insurance plan until the next plan year or unless you experience a qualifying event.**

# Health Insurance



## Insurance for retirees & beneficiaries

KRS provides group medical insurance for retired members. Participation in the insurance program may be waived at the time of retirement or during open enrollment. KRS provides access to group health insurance coverage through the Kentucky Employees Health Plan for recipients until they become eligible for Medicare. After a recipient becomes eligible for Medicare, coverage is available through a Medicare eligible plan offered by KRS.

***In order to cover a spouse or dependent on a plan the retiree must also be enrolled and covered by a KRS plan. If a retiree waives coverage, the spouse and/or eligible dependents cannot be enrolled in the KRS Health Insurance Plans.***

Members enroll in the appropriate insurance plan upon retirement by completing the proper KRS Forms (*Note: if a waiver of health insurance coverage is not received by KRS, you will be defaulted into a health insurance plan at the single level of coverage*). In order for insurance to be effective during the first month of retirement, all insurance forms and required documents must be filed with KRS the month before the first monthly benefit is issued. If your insurance forms

are filed at KRS during the month in which your first monthly benefit is issued, insurance coverage will be effective the following month. After initial enrollment, members may only make changes to their coverage selections during the annual open enrollment period. Members who experience certain qualifying events may be eligible to make changes throughout the year.

## Waiver of health insurance coverage

If a retiring member chooses to waive insurance coverage through KRS, the contribution KRS would have paid toward insurance is forfeited and coverage through KRS cannot be obtained until the next annual Open Enrollment period unless a qualifying event occurs.



**Unless you waive coverage, you will be defaulted into a single plan and can only be changed at Open Enrollment or a qualifying event.**

## **If you or your dependents become eligible for Medicare**

If you or your eligible dependents become eligible for Medicare due to age or disability, you should contact the retirement office for information concerning health insurance options. The Medicare eligible individual and other covered individuals may be required to complete new applications. Anyone covered by a Medicare eligible plan through the retirement office should obtain both Parts A and B of Medicare through the Social Security Administration in order to have full medical insurance coverage. As soon as you know that you or an eligible dependent will become Medicare eligible, contact the retirement office to discuss your insurance options.

## **If you need to make changes to your health insurance**

You may add or drop dependents outside of open enrollment only if you experience certain qualifying events. If you experience a qualifying event, it will be necessary to complete and return the proper KRS Form or a new application to the retirement office within the prescribed time period following the qualifying event. Contact the retirement office for the appropriate KRS Form in order to add or drop a dependent covered by your insurance.

If you move out of state, you may be eligible to participate in the Medical Insurance Reimbursement Plan if coverage through the health insurance plan offered by KRS is unavailable. Contact the retirement office for details.

## ***Did You Know...***

***In order for insurance to be effective during the first month of retirement, all insurance forms and required documents must be filed with KRS the month before the first monthly benefit is issued.***

A member who is eligible for an insurance contribution from KRS may obtain other health insurance coverage and apply for reimbursement of the eligible out-of-pocket premiums paid through the Medical Insurance Reimbursement Plan. The maximum reimbursement amount cannot exceed the contribution KRS would otherwise contribute on behalf of the member if he or she participated in the Kentucky Employees Health Plan. The reimbursement rate will be reduced by the amount an employer or agency contributes, if any, toward the member's medical insurance premium.

If you failed to complete the insurance application(s) at the time you retired or began receiving benefits as a beneficiary, you will have the opportunity each year to apply for health insurance coverage. You will be notified each year of the period during which you may make the election for health insurance coverage. Read the Open Enrollment information carefully because companies, types and amounts of coverage, and other requirements change frequently.



# Percentage Contribution

## Members Participating Prior to July 1, 2003



### Tier 1 Benefits for Health Insurance

#### *Members participating prior to July 1, 2003*

KRS pays a percentage of the monthly contribution rate for medical insurance coverage based on the retired member's years of service and type of service.

KRS pays a percentage of the monthly contribution rate for insurance coverage based on the retired member's years of service and type of service (hazardous or non-hazardous).

Each year prior to the Open Enrollment period, KRS' Board of Trustees establishes the contribution rate for the following plan year. The monthly contribution rate is based on single coverage under the insurance plan approved by the Board of Trustees.

The percentage of the monthly contribution rate paid is shown below. For hazardous members, the portion paid toward couple, parent plus or family coverage is based solely on the amount of service the member has in an approved hazardous position.

NON-HAZARDOUS		HAZARDOUS	
Member		Member & Dependent	
Service	% of Contribution Rate Paid*	Service	% of Contribution Rate Paid*
Less than 4 years	0%	Less than 4 years	0%
4 - 9+ years	25%	4 - 9+ years	25%
10 - 14+ years	50%	10 - 14+ years	50%
15 - 19+ years	75%	15 - 19+ years	75%
20+ years	100%	20+ years	100%

\*Benefits for In Line of Duty and Duty-Related retirees and beneficiaries may be different. If these benefits apply to you, please contact our office for more information.



# Dollar Contribution

**Members Participating on or after July 1, 2003**



## **Tier 1 Benefits for Health Insurance**

*Members participating between July 1, 2003 and August 31, 2008*

Eligibility for insurance benefits shall not be provided until the member has earned at ***least one hundred twenty (120) months*** of service in the state-administered retirement systems.



## **Tier 2 Benefits for Health Insurance**

*Members participating on or after Sept 1, 2008*

Eligibility for insurance benefits shall not be provided until the member has earned at ***least one hundred eighty (180) months*** of service in the state-administered retirement systems.

***Non-Hazardous members*** whose participation began on or after July 1, 2003 will earn a monthly contribution for insurance of ten dollars (\$10) for each year of earned service.

### **Non-Hazardous Example**

**Monthly Health Premium**  
**- \$10 x Full Years in Service**

**Your Monthly Cost**

***Hazardous duty members*** whose participation began on or after July 1, 2003 will earn a monthly contribution for insurance of fifteen dollars (\$15) for each year of earned service in a hazardous position. Upon the retiree's death, the spouse of a hazardous duty member will receive a monthly insurance contribution of ten dollars (\$10) for each year of hazardous duty provided the spouse is designated as beneficiary and remains eligible for monthly benefits upon the retired member's death.

After retirement, the monthly insurance contribution will be increased July 1 each year by 1.5%. The annual increase shall be cumulative and shall continue to accrue after the member's retirement for as long as a monthly insurance contribution is payable to the retired member or beneficiary.



## Dependent Eligibility & Verification for Health Insurance for HAZARDOUS DUTY RETIREES with Health Insurance Dependents

### Document dependent's eligibility

When filing for retirement, you must complete an insurance application and provide documentation of your dependent's eligibility, such as your marriage certificate for your spouse or a birth certificate for your children.

### Dependents aged 18-22

If your dependent is a child between the ages of 18 and 22, you will also need to complete Form 6256 Designation of Spouse and/or Dependent Child for Health Insurance Certification of Dependent Eligibility. You will complete this form each year during the Open Enrollment period to certify that your dependent child continues to meet the eligibility requirements for this age group in order for KRS to verify eligibility for the health insurance contribution.

You must submit all required KRS Forms and documentation to our office.

***Note: You may continue to cover Hazardous Duty Dependents between the ages 22-26 as long as they are eligible for coverage. A birth certificate or other supporting documentation will be required. Hazardous Duty Dependents are not eligible for health insurance contribution after reaching age 22, but they are eligible for coverage and the Retiree will pay the cost of the health insurance premium.***

## Case Management for KRS Retirees

### Kentucky Retirement Systems Case Management Services

Case Management is coordinated by a registered nurse specialist who can assist with planning and coordinating the options and services required to meet your health care needs. The ultimate goal of Case Management is for the retiree to reach an optimal level of wellness and function.

### Who should receive Case Management Services?

Case Management Services are available for those retirees who:

- Have catastrophic and/or complex chronic conditions
- Have prolonged or traumatic hospitalizations
- Require long term care and/or prolonged home care after discharge from the hospital
- Require assistance in identifying and/or accessing needed health resources
- Require education to self-manage their disease process

This service is provided at no additional cost to the retiree. You are eligible for Case Management Services if you are 65 or older, and are eligible for Medicare. If you feel that you or a member of your family is a candidate for Case Management, please call our Retiree Health Care Case Manager at (502) 696-8460 or (800) 928-4646, ext. 8460.

# Disability Retirement

## Re-employment

A person receiving disability retirement benefits who contemplates any employment after retirement must provide KRS with a detailed job description of the intended position **PRIOR** to returning to work. This job description must be provided by the employer. The medical examiners will review the position description to determine if the person may accept the position and return to work and still remain eligible to continue receipt of disability benefits.

*If a person receiving disability benefits fails to disclose to KRS any employment after retirement, KRS may recover benefits paid to or on behalf of the person during the period of employment.*

Individuals receiving disability retirement benefits are also subject to the provisions of employment after retirement discussed in the next section.

**HELP IS JUST A  
PHONE CALL OR A  
MOUSE CLICK AWAY.**

**1-502-696-8800  
1-800-928-4646  
OR FIND ANSWERS AT  
OUR WEBSITE:**

**<http://kyret.ky.gov>**



## Disability retirement maximum

If a person receiving disability retirement benefits from KRS applies for Social Security disability and/or workers' compensation, the disability benefits from KRS may be reduced if the combined income from KRS, Social Security, and workers' compensation exceeds 100% of member's final rate of pay or final compensation. If you have been awarded Social Security disability or worker's compensation, please notify our office.

## Annual review process

Prior to the normal retirement date, KRS is required to perform periodic employment and medical reviews of members receiving disability retirement allowances. KRS may conduct these reviews annually, or less frequently as determined by the Board's medical examiner, but not less than once every five years. As part of the review, the member will be required to submit updated medical and employment records and a KRS Review Form prescribed by the Board. Medical records should include all information regarding the bodily injury, mental illness, or disease for which the member is receiving a disability benefit.

# Employment After Retirement

*Most members pursue personal interests after retirement — the reward for their service to the public.*

*Some members use retirement to begin a second career. Others return to work for financial reasons. Whatever the reason, there are several considerations before accepting other employment.*

The following is an overview of the requirements of KRS 61.637, the employment after retirement statute.

**NOTE: When you retire you must cease ALL employment with ALL agencies who participate in one of the systems administered by Kentucky Retirement Systems.**



## **Bona fide separation from service**

Kentucky law prohibits a retiree from having a prearranged agreement prior to termination to return to employment in a regular full-time position with any agency participating in any of the systems administered by Kentucky Retirement Systems. At the time of re-employment, the participating agency and retiree must certify, under penalty of perjury, on Form 6751, "Member and Employer Certification Regarding Reemployment" that no prearranged agreement existed.

Federal law provides that a retiree cannot have a prearranged agreement prior to termination to return to employment in a non-participating position with the

same employer. However, if returning to employment in a non-participating position for a different employer, you may have a prearranged agreement. For purposes of implementing KRS 61.637, all employers participating in the Kentucky Employees Retirement System or State Police Retirement System are considered the same employer.

**If it is determined that your employment after retirement is in violation of Kentucky and Federal law, your retirement will be voided and you will be required to repay all retirement benefits you received or were paid on your behalf, including health insurance premiums paid on your behalf.**

## **Duration of separation from service**

An employee who is retiring and returning to work will be required to observe a break in service of **three (3) months** before returning to work with a participating agency. An exception is a full time hazardous employee returning to full time hazardous employment is one month.

## **Participation in KRS**

If the retiree is returning to a regular full-time position, the retiree will not make contributions to KRS. The re-employed retiree will earn no service credit during the period of re-employment and will not be eligible for any additional retirement benefits based upon the re-employment.





## Health insurance

If the retiree is Tier 1 and is re-employed in a regular full-time position, the retiree may enroll in health insurance through his employer or through KRS. If the retiree enrolls in health insurance through KRS, his employer will be billed for the single contribution rate premium.

If you are Medicare eligible and return to work, KRS will not be allowed to offer you coverage due to the MSP (Medicare Secondary Payer) requirement. You must take your health insurance coverage through your employer. Please call KRS if you have questions. You should also contact Medicare if you have questions.

If the retiree is Tier 2 and is reemployed in a regular full-time position, the employee will not be eligible for health insurance coverage through KRS and will be required to take health insurance coverage through his employer during the period of re-employment.

*Retired on disability and considering returning to work - see page 15*

**State law requires that the retiree and employer notify KRS if the retiree is going to accept employment with or volunteer for an agency participating in the Kentucky Retirement Systems, including working in a non-participating position, through a third party at a participating agency, or as an independent contractor.**

There are many factors that may impact your eligibility to pursue employment after retirement. You should contact KRS before considering a return to work after you have retired. KRS wants to ensure that you do not unintentionally void your retirement benefits and have to return benefits already distributed to you. KRS can review your situation and determine whether it is compliant.



## Before You Begin Re-employment

- **Obtain Form 6751**, “Member and Employer Certification Regarding Re-employment” by contacting KRS, downloading a copy from the KRS website or contacting your prospective employer.
- **Complete the employee section**, obtain certification from your prospective employer and return the KRS Form to KRS and submit a letter outlining the details of your re-employment to KRS **before returning to work.**
- **Wait for approval from KRS before returning to work.** Response time may require up to several weeks depending on the volume of requests. Requests are processed in the order they are received. Allow sufficient time for a response before your expected re-employment date.



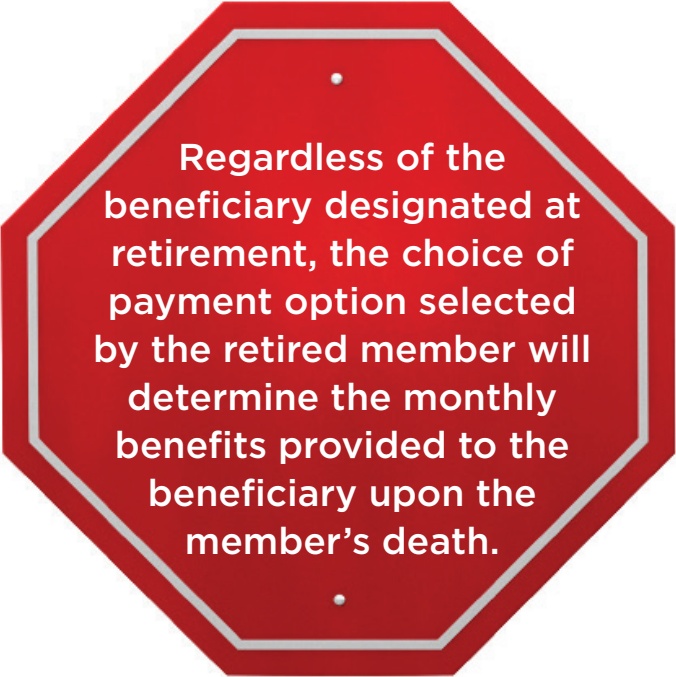
# Beneficiary & Death After Retirement

## Beneficiary designation at retirement

At the time of retirement, the member may name only one person, his or her estate, or a trust as beneficiary of the monthly retirement allowance.

***The retired member may not change this designation on or after the first day of the month in which the member receives his or her first retirement payment.***

If the beneficiary dies or divorces the retired member, state law provides that the member's estate becomes the beneficiary. An estate or trust cannot be eligible for a lifetime payment upon the death of a retired member.



Regardless of the beneficiary designated at retirement, the choice of payment option selected by the retired member will determine the monthly benefits provided to the beneficiary upon the member's death.

## Death After Retirement

You should inform your family or the person you have named to be responsible for your estate of the need to immediately inform KRS of your death. Your estate is liable for any monthly payments paid after your death. The member/recipient or the member's/recipient's estate is entitled to the payment that is sent during the month in which death occurs.

## Benefits Provided

Upon notification of a retired member's death, KRS will notify the individual named as beneficiary regarding his or her status as beneficiary by mail.

The retired member's estate is entitled to the member's retirement payment for the month of the member's death. If the retired member selected the Basic Option or Annuitized Benefit and has not recovered all the member contributions and interest which had accumulated in his or her retirement account, the beneficiary will receive the remaining account balance.

If the retired member selected a Survivorship Option at the time of retirement, the beneficiary will receive monthly benefits beginning in the month following the member's death. The beneficiary of a member who selected a survivorship option could opt to receive any remaining member contributions and interest in lieu of the monthly benefit.

Monthly benefits will not continue if the member's estate has become the beneficiary.

## Retirement benefits after death

The beneficiary or estate is required to submit a death certificate for the member listing the cause of death. If death occurred after the effective retirement date, the former employer is not required to notify KRS of the retiree's death, therefore the member's family or the person responsible for the member's estate should contact KRS to report the death. An audit of the deceased member's account will be performed once the death is reported to KRS.

A beneficiary's payment must be deposited directly to a financial institution. If the beneficiary does not have an account with a financial institution or the financial institution does not participate in the Automated Clearing House (ACH), the beneficiary must complete a Form 6135, Request for Payment by Check. The retirement benefit will not be processed until the appropriate KRS Forms are filed with KRS.

## CAUTION

Retirees can name only one Person, Estate, Trust or Funeral Home as beneficiary of the death benefit



## \$5,000 Death Benefit

A retired member's beneficiary may be eligible for a death benefit. If a retired member is receiving a monthly benefit based on at least **48 months of service credit**, under most circumstances KRS will pay a \$5,000 death benefit payment to the beneficiary designated by the member. The beneficiary designation of the \$5,000 Death Benefit is separate and distinct from the member's retirement account beneficiary. Members with multiple accounts are entitled to only one death benefit. The \$5,000 death benefit is subject to federal income tax, but may be eligible for a direct rollover to defer tax withholding.

**The retiree may designate a new beneficiary of the \$5,000 death benefit at any time by completing a new Form 6030, Death Benefit Designation.**

**A completed beneficiary designation must be on file with KRS in Frankfort prior to the member's death to be valid. A copy received after the member's death is not acceptable.**

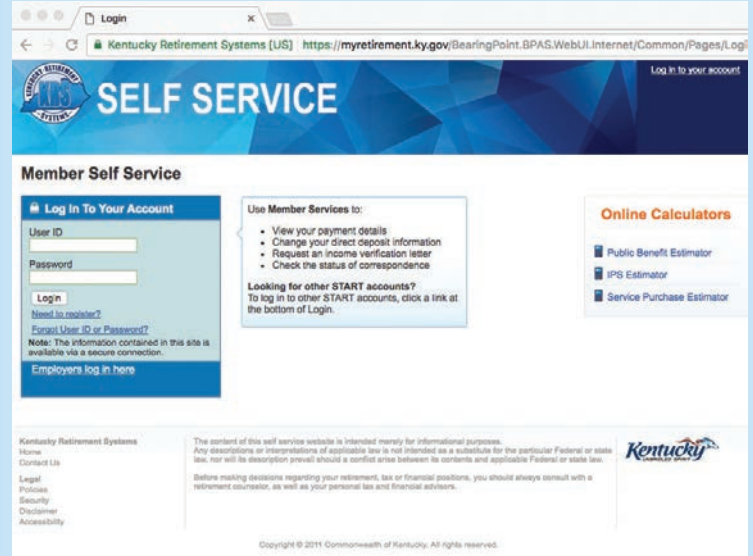
## Death of a beneficiary

Please advise the retirement office upon the death of the beneficiary named for your monthly benefits or for your \$5,000 death benefit. You cannot name a new beneficiary for your monthly benefits, but you may name a new beneficiary for the \$5,000 death benefit. Also, the amount of your benefit may change if you selected the Pop-Up option at the time of retirement.



# Top 10 Reasons to LOVE Self Service

- 1.** Change your contact information anytime.
- 2.** Check on the status of a KRS Form you submitted to our office and view a history of correspondence filed to your account.
- 3.** Track your monthly retirement benefits and payment history.
- 4.** View and change your direct deposit information.
- 5.** Verify your income.
- 6.** View your account summary.
- 7.** View your tax information and change your tax withholdings.
- 8.** Print a copy of your 1099-R.
- 9.** View your current health insurance coverage through KRS & enroll online during Open Enrollment.
- 10.** Be the first to find out the latest news and updates.



Visit the KRS Self Service Website at:

[MyRetirement.ky.gov](https://myretirement.ky.gov)

OR Link to the Self Service Website at:

[kyret.ky.gov](https://kyret.ky.gov)

Please note that KRS Forms prepared for you have a barcode that our office uses to file the KRS Form to your account. Please do not copy KRS Forms you receive from our office for other retirees. This may cause their KRS Forms to be filed to your account.



# Managing Your Retirement Account

Our self service site allows you to effectively manage your retirement account online, displaying your account information from October 2009 forward. If you need prior account information, please contact our office.

## *How do I access my account online?*

### **Go to [MyRetirement.ky.gov](http://MyRetirement.ky.gov)**

This is the direct link to your self service account. You can also log in from the KRS Account link on [kyret.ky.gov](http://kyret.ky.gov).

### **Connect to your account**

To register, you will enter your Social Security number, date of birth, and Personal Identification Number (PIN) so we can identify your account. You will be asked for your Social Security number and an email during this initial registration process.

### **Don't have a PIN?**

Call our office and we can send your PIN via mail. PINs are assigned to you by our system; members do not have the option to select their own PIN.

### **Create log in information**

We will ask you to create a User ID and Password, which you will use each time you log in to your account. For additional security, you will answer a secret question. This answer will be used when you need to reset your User ID or Password.

### **Security features**

The PIN is voided after 3 unsuccessful attempts to log in. If this happens, KRS cannot reset the same PIN and a new PIN must be issued by calling KRS.

A security timer will begin after your successful log in. After 15 minutes of screen inactivity you will be logged out and will need to sign in again.

*When the setup steps are complete, you are ready to manage your retirement account online!*

**If you  
have any  
questions**

Contact our  
office at:  
502-696-8800  
or  
800-928-4646



## What review processes are in place for Kentucky Retirement Systems?

As a fiduciary of plan assets for members, KRS is held to a very high standard of public scrutiny. The following reports are completed each year and provide an overview of the annual review processes in place for the retirement plans:

- An annual audit is conducted to ensure proper accounting procedures.
- An annual actuarial valuation is performed each year to examine the plan's funding status and to ensure that contribution rates are sufficient to fund benefits.
- A Comprehensive Annual Financial Report (CAFR) is completed each year, detailing the financial and actuarial status of KRS.

Copies of these reports are available on the KRS website, [kyret.ky.gov](http://kyret.ky.gov).



### We need your email!

KRS routinely sends out information, updates, newsletters, etc. Please make sure you have a current email listed with us.

## Information you may expect from KRS

Following your retirement, you will be notified of any changes made in the retirement statutes or federal law that may impact your benefits through a periodic email newsletter.

In January of each year, we will issue a 1099-R providing the information you need to file your tax return. You do not need to request this information. Your 1099-R will automatically be issued to you by the end of January if you received benefits during the previous calendar year.

If you would like to find this information faster than waiting for the mail, check our self service website at [kyret.ky.gov](http://kyret.ky.gov). We will post this information when it is available.

## If you execute a Power of Attorney

If you execute a Power of Attorney empowering another person to act on your behalf as your attorney-in-fact, you should submit a copy to KRS. If you want your Attorney-In-Fact to be able to name beneficiaries or change your beneficiary designation, you should specifically grant those responsibilities in your Power of Attorney. If you want your Attorney-In-Fact to be able to make health care transactions on your behalf, you should specifically grant your Attorney-In-Fact that power in your Power of Attorney. You may request a Special Power of Attorney Form from KRS that allows you to appoint someone to act on your behalf with regard to KRS matters.

# How KRS Protects Your Information

It's difficult to read the newspaper or watch the nightly news on television and not see another incident where banking, credit card or other personal information has been exposed or stolen. We want you to know that KRS is committed to protecting the confidentiality and security of your member data. KRS has intensified our efforts to safeguard your information. Here are a few ways we protect data.

- Developing policies and processes that protect your personal information as well as the resources (both human and technical) that support and house that information.
- Ensuring the availability and integrity of your data by developing business continuity and disaster recovery plans that will allow us to quickly resume operations in the event of a disaster or other significant event at KRS.
- Investing in mainstream, highly regarded technology solutions that better protect all aspects of your member information.
- Employing secure solutions when transmitting data anywhere, such as encrypted email, secure file transfer and encrypted Internet transactions.
- Securely disposing of information, whether in paper or electronic form, so that your information is protected throughout its useful lifecycle.
- Implementing, monitoring and auditing systems and security processes to ensure that your data is protected.
- Providing our employees with constant security awareness tips and training to make sure they understand the importance of protecting your information.
- Limiting unnecessary access to your data. Our management team has worked to limit the access to your information to only those KRS employees that regularly require access in order to provide high quality services for you.
- Requiring the use of KRS Member IDs in place of Social Security numbers on internal KRS Forms and other documentation.



## OUR OFFICE

**Monday - Friday**  
8:00am - 4:30pm

**(502) 696-8800**  
or **(800) 928-4646**

**Perimeter Park West**  
1260 Louisville Road  
Frankfort, KY 40601

**krs.mail@kyret.ky.gov**  
**General Questions only**  
**(unsecure)**



Find us on  
**Facebook**

***Facebook.com/kyretirement***

## OUR WEBSITE

***<https://kyret.ky.gov>***

- Member Forms and directions
- News & Updates
- Publications (Recent and Archive)
- Contact Us

## SELF SERVICE

***[MyRetirement.ky.gov](http://MyRetirement.ky.gov)***

- Update your personal information
- Calculate your benefits
- Get your retirement information

## MEMBER EDUCATION

***[youtube.com/user/KentuckyRetire](https://youtube.com/user/KentuckyRetire)***

- Video Library - How-to Videos
  - How to Retire
  - How to fill out Form 6000
  - How to Calculate Your Benefit
  - ...and more!
- Webinars  
*(interact and ask questions)*



## ***Legal Notice***

If you have any questions about the material printed in this publication please contact Kentucky Retirement Systems at 1-800-928-4646. This publication is intended merely as a general information reference for members of KRS. If you have any specific questions about the subjects covered by this publication, you should contact the retirement office. This publication is not intended as a substitute for applicable Federal or state law, nor will its interpretation prevail should a conflict arise between its contents and applicable Federal or state law. Before making decisions about your retirement, you should contact Kentucky Retirement Systems.